

Illinois Power Acquisition
Depreciation-related Deferred Tax Items Included in 2007 Ratebase
(Debit/(credit))

Applicants' Ex. 6.3

Projected Balances as of 12/31/2006				
DYNEGY PROJECTION WITHOUT ACQUISITION		AMEREN PROJECTION WITH ACQUISITION		
		Basis for Ameren Projection		
<u>Deferred tax assets (Account #190)</u>				
Allowance for doubtful accounts	2,181,686	2,181,686	Same as Dynegy projection	
Bloomington sale agreement	57	-	De minimis	
CIAC	34,176,339	6,153,858	Projection of new CIACs based on IP's 2000-2002 tax returns (3).	
Consumable inventory	105,923	-	No new set up (IP will change to Ameren method (books = tax))	
Customer advances for construction	4,322,404	622,078	Projection of new advances based on IP's 2000-2002 tax returns (2).	
Deferred director's compensation	455,295	455,295	Same as Dynegy projection	
Gain on reacquired debt	505,482	-	No new set up	
Interest capitalized	14,727,797	1,091,700	Same as Dynegy projection for 2005-2006 increment only (4)	
Interest on tax reserves	645,277	-	No new set up	
Leased gas storage costs	1,910,973	1,910,973	Same as Dynegy projection	
Line pack gas	240,346	240,346	Same as Dynegy projection	
Maintenance items capitalized	(34)	-	De minimis	
Miscellaneous reserves	5,539,028	-	No new set up	
OPEB Expense/Funding	(17,618,145)	3,935,250	Based on Ameren OPEB projection	
OPEB capitalized for tax	3,864,950	798,400	Same as Dynegy projection for 2005-2006 increment only	
Pension Expense/Funding	22,449,702	556,500	Based on Ameren pension projection	
Pension capitalized for tax	247,621	(48,600)	Same as Dynegy projection for 2005-2006 increment only	
Severance accrual	307,095	-	No new set up	
Software capitalized for tax	(202,389)	(500)	Same as Dynegy projection for 2005-2006 increment only	
Take or pay	(5,231)	-	De minimis	
Underground gas storage	5,952,256	5,952,256	Same as Dynegy projection	
Vacation pay accrual	2,596,862	2,596,862	Same as Dynegy projection	
FAS 109	-	-	None for Ameren post-acquisition	
Subtotal	82,403,294	26,446,104		
<u>Deferred tax liabilities (Account #282)</u>				
Basis Differences-Taxes,Overheads & Dismantling	(34,201,468)	(384,500)	Same as Dynegy projection for 2005-2006 increment only	
Casualty Losses	(330,497)	-	No new set-up	
Depreciation differences - PowerTax	(360,379,192)	-		
Depreciation differences - miscellaneous	(402,303)	-		
Depreciation differences on Ameren purchase price	-	(41,310,810)	Ameren projection based on projected book value of depreciable assets	
Depreciation differences on Ameren capital additions	-	(15,643,578)	Ameren projection based on projected capital expenditures	
OPEB book capitalized	(2,637,416)	(769,900)	Same as Dynegy projection for 2005-2006 increment only	
Pension book capitalized	7,905,387	2,242,300	Same as Dynegy projection for 2005-2006 increment only	
Repair allowance	(36,202,169)	-	No new set-up (no more eligible property)	
Software Development Costs	(9,410,209)	(966,276)	Application of tax purchase price allocation rules	
FAS 109	-	-	None for Ameren post-acquisition	
Subtotal	(435,657,866)	(56,832,763)		
<u>Deferred tax liabilities (Account #283)</u>				
Coal Tar clean-up costs	174,591	-	No new set-up	
ESOP/officer comp/director fees	(645,434)	(645,434)	Same as Dynegy projection	
Gas meter relocation	(1,425,231)	222,300	Same as Dynegy projection for 2005-2006 increment only	
Loss on reacquired debt	(12,123,008)	(26,500,000)	Assumed \$100 million deductible call premiums paid in 2005, with six-year book amortization	
Take or pay	4,124	-	De minimis	
UGAC	(2,591,520)	-	No basis for projection	
FAS 109	-	-	None for Ameren post-acquisition	
Subtotal	(16,606,479)	(26,923,134)		
Unexplained differences	2,489,500	-	No new set up	
Net depreciation-related deferred tax items	(367,371,551)	(57,309,794)		